

Manage the Association
and Its Business Operations

Understand the Structure of
the REALTOR® Organization

Understand Real Estate
Issues and Trends

Acquire and Communicate
Valuable Information

RCE CAE Plus Body of Knowledge

A Guide for the Successful REALTOR® Association Executive

- ◆ This document specifically identifies areas from the Body of Knowledge that comprise the RCE CAE Plus exam. AEs preparing for the RCE CAE Plus exam should review this Body of Knowledge.

The desired skills, attributes, and knowledge base of a successful REALTOR® association executive (AE) vary from association to association, depending on the association's size, organizational structure, and demographics, as well as the diverse needs of its members.

This document identifies competencies in which an AE shall be proficient to successfully serve the evolving REALTOR® association. Within each competency there are three levels of knowledge. Each of the competencies is attached to a body of knowledge that identifies topics leading to proficiency at the three defined levels.



MANAGE THE ASSOCIATION AND ITS BUSINESS OPERATIONS

The ability to prioritize and allocate time, finances, materials, space, and human resources; the ability to plan and coordinate processes and functions that will produce desired results in a professional environment of trust and respect; to optimize association resources to ensure effectiveness of association decisions and provide knowledge for members.

ADMINISTRATIVE LEVEL

Possess general knowledge of business and financial operations; establish good working relationships with service providers and staff; efficiently administer association business.

MANAGEMENT LEVEL

Develop and manage staff around an organizational plan with clear responsibilities; ensure that strategic planning and business planning processes are in place.

LEADERSHIP LEVEL

Seek out new and innovative programs, products and services; develop creative management solutions; cultivate a highly evolved and trained staff team; be a respected and motivating influence for staff and leaders.

Legal and Regulatory Activities

- ◆ Maintain, or have access to legal counsel, as mandated by the NAR Organizational Alignment Core Standards
- ◆ Understand components of the Americans with Disabilities Act (ADA), state and local regulations and ensure compliance
- ◆ Have a complete and in-depth understanding of antitrust laws and ensure association's compliance with these laws
- ◆ Understand how copyright laws impact the association and ensure compliance
- ◆ Understand how music, software, and photo usage licensing laws impact the association and ensure compliance
- ◆ Implement and maintain a document retention policy and ensure compliance
- ◆ Minimize liability for the association, officers, directors, committees, and employee
- ◆ Ensure compliance with trademark policies applicable to the REALTOR® trademark
- ◆ Understand conflict of interest/duty of loyalty policies
- ◆ Understand intellectual property rights and implement policies
- ◆ Understand insurance policies particularly E&O and D&O
- ◆ Be aware of patent issues in the industry
- ◆ Understand the legal liabilities of social media

ADMINISTRATIVE LEVEL

MANAGEMENT LEVEL

LEADERSHIP LEVEL

Product/Program Development

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| <ul style="list-style-type: none">◆ Identify core vs optional services and determine whether the product/service offering is consistent with association's mission statement and strategic plan◆ Identify available NAR, state, and local programs and products and communicate the offerings to membership◆ Assess the impact of the product or program for any association liability, impact on tax status, and staffing | <ul style="list-style-type: none">◆ Develop and conduct a member needs assessment to determine products and services needed and its value to membership◆ Develop and conduct member, market, and competitive research to determine if the product/service is feasible for delivery, including a cost/benefit analysis◆ Create a business plan for products/services including the product requirements, rationale, funding and implementation plan | |
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Commercial Services and Structures

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| <ul style="list-style-type: none">◆ Understand commercial structures and overlay boards◆ Understand the services offered to associations through NAR's Commercial and Global Services team◆ Understand how NAR supports the commercial real estate side of the industry and members engaged in the business, including resources and services available for members on REALTOR.org, Commercial Search, etc.◆ Understand the Institute Affiliate Dues structure | | |
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UNDERSTAND THE STRUCTURE OF THE REALTOR® ORGANIZATION WITHIN THE CONTEXT OF THE EVOLVING REAL ESTATE INDUSTRY

Demonstrate the ability to analyze, interpret, and apply REALTOR® association governance, policies, and procedures; to understand and work with the governance and structure of the REALTOR® association.

ADMINISTRATIVE LEVEL

Possess working knowledge of the REALTOR® organization and of governing documents; ensure that association governing documents are in compliance with NAR.

MANAGEMENT LEVEL

Acquire a more proficient and detailed understanding of NAR policy and procedures, as well as those of your local and state associations; take a more active role in the REALTOR® organization.

LEADERSHIP LEVEL

Make a difference – contribute to policy formulation and the direction of the REALTOR® organization.

Governing Documents and Policy

Understand the components of and be able to apply/comply with the following:

- ◆ Bylaws, NAR Model Bylaws; Constitution; and Articles of Incorporation
- ◆ Understand and enforce the REALTOR® dues formula
- ◆ Function and purpose of governing documents, policies, and procedures
- ◆ Maintain governing documents compliance with NAR policy (policy rationale and process)
- ◆ Approval of governing documents by NAR - condition of coverage under NAR's Master Professional Liability Insurance Policy

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Institutes, Societies, and Councils, and NAR Designations, Certifications, and Certificate Courses

- ◆ Identify the Institutes, Societies and Councils and understand the scope of their respective designations
- ◆ Identify the various NAR Designations and Certifications and Certificate Courses and understand their purpose in the marketplace
- ◆ Be aware of programs that REALTOR® University offers

- ◆ Identify and assess the need for developing specialty sections or councils in your association (i.e., appraisers, property managers, et al.)

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ADMINISTRATIVE LEVEL

MANAGEMENT LEVEL

LEADERSHIP LEVEL

Membership Policies and Procedures

- ◆ Understand board/association of choice and how board of choice policies apply to other association services
- ◆ Understand and ensure compliance as mandated by the NAR Organizational Alignment Core Standards
- ◆ Identify, implement and enforce member policies and procedures, including:
 - membership qualification criteria
 - application process
 - membership privileges and obligations
 - membership suspension, expulsion or termination
- ◆ Volunteers and staff develop and conduct new member orientations if required by local bylaws

MLS Policies and Procedures

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| <ul style="list-style-type: none">◆ Understand the difference between an MLS Subscriber and Participant and how their rights/privileges differ◆ Understand the different MLS operational structures (committees, corporations and regional entities) and the NAR MLS policies and model documents◆ Understand and enforce NAR MLS Antitrust Compliance Policy◆ Understand listing content management including ownership (copyright vs. license) and authorized displays and possible uses of MLS data by Participants, Subscribers, and others including IDX, VOW, syndication, aggregation and other service vendors◆ Understand the difference between IDX, VOW, syndication and aggregation◆ Enforce compliance with MLS rules, regulations and policies◆ Understand the value of RESO, RETS and industry data standards◆ Understand the benefits of reciprocal agreements to share information with other MLSs | <ul style="list-style-type: none">◆ Understand key legal and regulatory issues that impact MLS functions, including licensing, agency, procuring cause, compensation, intellectual property rights and antitrust◆ Understand the enforcement process for MLS governing documents and copyright | <ul style="list-style-type: none">◆ Develop and implement policies regarding the public distribution and use of MLS statistics (changed this competency from a circle to a diamond) |
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ADMINISTRATIVE LEVEL

MANAGEMENT LEVEL

LEADERSHIP LEVEL

Political and Governmental Affairs

- ◆ List NAR public policy programs and services and national level governmental advocacy programs, as mandated in the NAR Organizational Alignment Core Standards
 - ◆ Understand the fundamentals of grassroots mobilization, and know and communicate the benefits of grassroots programs to the leadership and membership
 - ◆ Routinely review current REALTOR® organization legislative priorities
 - ◆ Understand and communicate NAR fundraising goals and RPAC investment and recognition options
 - ◆ Understand federal, state, and local election law related to political action committees
 - ◆ Understand federal and state rules governing disbursements and distribution of funds to candidates
 - ◆ Understand issues mobilization funding and related programs (NAR or state)
 - ◆ Educate members on the value of participating in local, state, and national Call-to-Action programs, as mandated in the NAR Organizational Alignment Core Standards
 - ◆ Understand compliance issues for RPAC contributions that accompany dues billing and the reporting requirements for such, as mandated in the NAR Organizational Alignment Core Standards
 - ◆ Understand and utilize the resources available through NAR REALTOR® Party
- ◆ Identify resources or process to ensure association is in compliance with federal, state and local election law related to political action committees
 - ◆ Confirm process is in place to ensure compliance with lobbying laws and regulations

ADMINISTRATIVE LEVEL

MANAGEMENT LEVEL

LEADERSHIP LEVEL

Professional Standards (policies and procedures)

- ◆ Know components of the Code of Ethics, the NAR Handbook on Multiple Listing Policy, and the Code of Ethics and Arbitration Manual
 - ◆ Describe the general steps for processing an ethics complaint and for processing an arbitration request (including who is eligible to file and the differences between an ethics complaint and an arbitration request)
 - ◆ Ensure that members know the role and function of both a grievance committee and a professional standards committee
 - ◆ Understand and enforce NAR's Code of Ethics training requirements
 - ◆ Understand and enter into a cooperative enforcement agreement
 - ◆ Understand NAR has a REALTOR® Association Dispute Resolution Process
 - ◆ Understand the principles of due process, beginning with first knowledge of a potential complaint through the final step of the process
 - ◆ Understand the importance of adhering to the administrative timeline
 - ◆ Understand the differences between mandatory and voluntary arbitration
 - ◆ Understand the importance of clearly articulated findings of fact following an ethics hearing so they accurately convey how the decision was made
 - ◆ Understand what a REALTOR® association may publish about a member found in violation of the Code of Ethics
- ◆ Identify the components and benefits of the dispute resolution system (DRS)
 - ◆ Understand the role of the Board of Directors in the Professional Standards Process
 - ◆ Understand both employee and member roles in the observance of confidentiality
 - ◆ Understand who must be disqualified/excused from any tribunal considering a professional standards matter
 - ◆ Understand the association options in the NAR Code of Ethics and Arbitration Manual that require adoption
 - ◆ Understand the options available to REALTOR® associations to expedite complaints and arbitrations
 - ◆ Understand the principles of progressive discipline
- ◆ Promote the benefits of the mediation process as compared to the arbitration process

UNDERSTAND REAL ESTATE ISSUES AND TRENDS

The ability to thoroughly understand the diverse elements and issues which foster a successful real estate operation; the ability to understand the changing forces that are shaping the industry and manage through these changes to ensure an environment that puts the REALTOR® at the center of every real estate transaction; to be able to understand, analyze, and affect the impact of issues and trends in the industry.

ADMINISTRATIVE LEVEL

Possess a basic understanding of the real estate industry – functions of an agent, broker, firm; understand members and their business in your market area.

MANAGEMENT LEVEL

Develop a working knowledge of real estate license laws and real estate firm operations; focus more on the industry and industry trends; develop working relationships with your organization’s internal and external constituents.

LEADERSHIP LEVEL

Identify critical issues and trends before they impact the members; have trust and confidence in industry leaders.

Diversity and Global

- ◆ Understand diversity in association offices (staff) and real estate offices (both employees and agents) and communities

- ◆ Consider implementing NAR diversity programs
- ◆ Raise awareness of NAR Global Programs and services to share with members

Fair Housing

- ◆ Know federal, state and local fair housing laws and the application of Article 10 of the Code of Ethics and where complaints may be filed
- ◆ Identify advertising practices which may have a fair housing impact

General Real Estate Practices

- ◆ Know basics of real estate contract law
- ◆ Understand license law and regulations; identify agencies that regulate license law
- ◆ Identify liabilities inherent in real estate activities
- ◆ Understand basic listing/sales procedures, and terminology
- ◆ Understand required disclosure practices
- ◆ Have a general understanding of basic real estate forms, particularly those offered by the local and state associations and create process to ensure forms are regularly updated
- ◆ Describe the difference between Exclusive Right to Sell and Exclusive Agency agreements
- ◆ Understand independent contractor status and brokerage models

- ◆ Identify real estate office employment issues
- ◆ Educate agents and brokers on use of independent contractor status and brokerage models
- ◆ Be knowledgeable of record keeping requirements for real estate practitioners involved in a real estate transaction

ADMINISTRATIVE LEVEL

MANAGEMENT LEVEL

LEADERSHIP LEVEL

MLS Services and Delivery

- ◆ Understand all aspects of MLS data management and distribution, including authorized participant data displays, aggregation, and syndication
- ◆ Understand purpose of MLS, including ancillary services and be able to describe the differences between core, basic and optional services
- ◆ Understand the functionality of RETS and RESO

- ◆ Understand state and federal regulations and NAR policy governing use of listing content including copyrights, advertising and ownership of MLS data through IDX/VOW
- ◆ Understand regionalization, cooperative and reciprocal agreements

Real Estate Issues and Trends

- ◆ Work with leadership and volunteers to identify the industry's major member/broker liability issues
- ◆ Understand the day-to-day operations of real estate practitioners

- ◆ Have a working knowledge of the basic economics of today's prevailing real estate brokerage business models (e.g. traditional, 100%, limited service) and their impact on the members
- ◆ Recognize and respond to trends in association management such as membership increases/decrease, membership demands, communication trends, service trends, dues and pricing structures, and related demographics

- ◆ Identify, evaluate and develop action plans to address emerging real estate issues and trends
- ◆ Understand trends affecting the transfer and ownership of real estate. This includes funding, document processing, title and escrow, and taxes
- ◆ Have a high level of knowledge about social, political, technology and demographic trends and how those trends affect the real estate market and the business activity of members

COMMUNICATE VALUABLE INFORMATION

The ability to produce, acquire, interpret, and communicate information that is valued and relevant; the ability to market the value of programs and services that meet member needs; the ability to integrate information, knowledge, communication skills, and technological tools to achieve desired end-results; the ability to relate information from outside sources and industry trends (i.e. the need to get involved with government agencies, etc.)

ADMINISTRATIVE LEVEL

Identify appropriate communication channels and use them to gain and disseminate information.

MANAGEMENT LEVEL

Identify and analyze valuable information, and communicate its impact; manage comprehensive public relations and outreach programs; form an image in the community.

LEADERSHIP LEVEL

Become a trusted and sought-after source of valuable information for all publics; master communication methods to collect and disseminate "knowledge"; develop a comprehensive member communications system.

Public Relations Programs

- ◆ Utilize fill-in-the-blank news releases and real estate facts provided by NAR and state association
- ◆ Create a public relations strategic plan as a roadmap for public relations campaigns, opportunities, and disaster recovery
- ◆ Understand the functions of public relations (public relations vs. publicity)
- ◆ Utilize the components of a public relations program, including news releases and other media communications
- ◆ Develop a spokesperson policy and implement a training program to effectively deliver consistent, positive messages
- ◆ Promote REALTOR® value
- ◆ Develop and implement an effective public relations plan

For More Information Contact:

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